

Medicaid Expansion 2014

BACKGROUND

Beginning in January 2014, Medicaid will increase its national eligibility limits for adults to 133 percent of the Federal Poverty Level, representing an annual income of about \$14,856 for one person. This will open Medicaid coverage to childless adults, many of them uninsured. This is a category of the population not currently served by Medicaid, and in Washington State alone, we anticipate an enrollment increase of more than half a million new clients over several years.

Washington's challenge will be to create a consumer-friendly eligibility determination system that meets federal expectations and maximizes administrative efficiencies.

ANTICIPATED ENROLLMENT IN THE FIRST YEARS

- **Newly eligible Medicaid individuals** – Up to 250,000 individuals aged 19-64 not currently eligible for Medicaid with income under 133% FPL (138% with a 5% disregard)
- **“The Welcome Mat”** – Up to 75,000 individuals who are eligible now for Medicaid but may not realize it and are not currently covered.
- **Current Medicaid/CHIP recipients** – Conversion of up to 800,000 children, pregnant women and families who will have to be rescreened under the new rules.

CHANGES IN ELIGIBILITY DETERMINATION TOOLS

- Modified Adjusted Gross Income (MAGI) tool will mirror federal income tax filing rules
- Past practice of using multiple income disregards to adjust family income will be replaced by one 5% disregard for all programs
- Streamlined federal rules do not limit assets or resources for these populations.

HOW NEW HEALTH BENEFITS EXCHANGE WILL CHANGE SYSTEM

- Exchange and Medicaid plan to develop a simplified and seamless application that can be processed through one web portal
- The portal will automatically screen data and make eligibility determinations for Medicaid or CHIP eligibility; and for Exchange Premium Tax Credit Subsidy

OTHER EXPANSION WORK IN PROGRESS

- Policy Development - Eligibility, Exchange, MAGI and Eligibility Quality Assurance
- Integration – New rules will help streamline eligibility and minimize risk of churn
- Development of IT Systems – Exchange web portal, new eligibility rules engine, ACES, WA Connection interoperability, ProviderOne
- Stakeholdering will include feedback and collaboration through web and public forums
- Agency will manage newly eligible enrollments to smooth transition
- Eligibility Quality Assurance – Process will be alert for possible overpayments or fraud
- Marketing/Education – HCA to publicize eligibility changes, how to use new Exchange
- HCA will follow rulemaking process to make WAC changes